

August 31, 2012

To: Executive Board

Subject: **2012 Legislative Summary**

Recommendation

Receive and file the August 2012 Legislative Summary. There are no recommended positions on bills this month.

Analysis

A summary of state and federal legislation and its status is attached. The State Legislature returned from their summer recess on August 6 and began the final flurry of activity leading up to the end of this year's session on August 31. Two key state transit bills continue to move through the legislative process. SB 1257 (Ed Hernandez), Foothill Transit's sponsored bill that would exempt from local utility users' taxes (UUT) a public transit agency's use of in-route battery charged electricity to power its buses, passed the Assembly on a 79 to 0 vote. The bill went back to the State Senate where it was voted 34 to 0 for concurrence of the Assembly amendments. SB 1257 is now on to the Governor.

AB 1706 (Mike Eng), the California Transit Association (CTA) bill dealing with state limitation on bus axle weight passed unanimously out of the Senate Appropriations Committee. The next step for the bill is the Senate Floor. Assemblyman Eng took amendments in committee that clarify a permanent grandfathering provision for all buses procured before 2013, and clarify that transit systems can purchase and operate overweight buses during the 2013-2015 timeframe.

After nine extensions and just over two years and nine months, President Obama signed H.R. 4348 on July 6, 2012 in the East Room of the White House. The new transportation reauthorization law, known as the Moving Ahead for Progress in the 21st Century Act (MAP-21) replaces SAFETEA-LU as the latest federal legislation reauthorizing taxes that support the Highway Trust Fund authority to make expenditures from that fund through September 30, 2014. The law provides road and transit funding for the next two years.

Prior to the President's action, the House of Representatives, 373 to 52 and Senate, 74 to 19 voted to pass the Conference Report on June 29 to the MAP-21 Legislation. The final conference agreement provides for a limited increase for Federal Transit Programs, providing a total of \$10.57 billion in authorized funding in FY 2013 and \$10.69 billion in FY 2014. Funding authorized from the Mass Transit Account of the



Executive Board Meeting – 8/31/12
2012 Legislative Summary
Page 2

Highway Trust Fund amounts to \$8.478 billion in FY 2013 and \$8.595 billion in FY 2014, with \$2.1 billion authorized from the General Fund in each fiscal year.

Financial Impact

We anticipate that MAP-21 will mean that federal formula funding will remain much the same over the next two years for the L.A. County region.

Sincerely,

David Reyno
Director of Government Relations

Doran J. Barnes
Executive Director

2012 Legislation Summary

Current as of 8/21/2012

(Amendments and Bills with updated status or requesting action are indicated in **bold**)

Bill No.	Author	Analysis	Potential Impacts	Location	Outside Agency Positions	Recommended Position
AB 147	Dickinson	Existing law under the Subdivision Map Act authorizes cities and counties to charge developer fees to defray the costs of infrastructure improvements to support development projects. Development impact fees levied under the Subdivision Map Act are charged as a condition of approval of a final map or building permit. Current law limits the use of these fees for the mitigation of traffic impacts to bridges and major thoroughfares. AB 147 would authorize a local agency to also use this fee for transit, bicycle, and pedestrian facilities.	This bill could mean more local money provided to Foothill Transit for facility construction.	Signed by the Governor & Chaptered by the Secretary of State - 9/6/2011	CTA - Support	Support Position Adopted 3/25/2011
AB 345	Atkins	Would require the Department of Transportation (Caltrans) to ensure that any committee or formal group of the California Traffic Control Devices Committee (CTCDC) includes representation from all users of the road, including public transit, thereby improving the implementation of complete streets policies.	This bill will make certain that the interests of state public transit agencies including Foothill Transit are represented on the CTCDC.	Senate Inactive File	CTA - Support	Support Position Adopted 5/27/2011
AB 485	Ma	Would provide an optional financing mechanism to allow transit agencies greater incentives and opportunities to explore transit-oriented development (TOD) options with local governments. Furthermore, if a city or county wishes to pursue a TOD project with a local transit agency within an existing "transit village development district," they may pursue an agreement setting forth the conditions by which bonds could be issued to develop and make improvements to a specific transit station.	This bill would provide Foothill Transit greater opportunities to work with our member cities and the County to pursue transit oriented development partnerships.	Senate Inactive File	CTA - Support	Support Position Adopted 4/27/2011
AB 650	Blumenfield	This bill would establish the Blue Ribbon Task Force on Public Transportation for the 21st Century and would require the task force to be comprised of 12 specified members appointed by the Senate Committee on Rules and the Speaker of the Assembly by March 31, 2012. The bill would require the task force to prepare a written report that contains specified findings and recommendations relating to the current state of California's transit system, the estimated cost of creating the needed system over various terms, and potential sources of funding to sustain the transit system's needs, and to submit the report by March 31, 2013, to the Governor and other key legislative bodies.	We understand that members of the environmental community will have a role on the Task Force which brings an important voice for transit into the mix who has not been actively involved previously.	Vetoed by the Governor -- 9/26/2011	CTA -- Support LA Metro - Support	Support Position Adopted 3/25/2011
AB 1097	Skinner	Would require the Secretary of the Business, Transportation and Housing Agency to authorize a state or local agency receiving federal funds for transit purposes to provide a bidding preference to a bidder if the bidder meets or exceeds Buy America requirements applicable to federally funded transit projects.	Existing federal guidelines preclude state transit agencies that receive federal funds from crediting American-made products and manufacturing at a greater than 60% level unless a state Buy American provision exists in statute that is more stringent than Federal Transit Administration (FTA) standards. The State of California currently has no such preference law. By authorizing transit agencies to assign more credit to bidders that use a higher percentage of domestic content	Signed by the Governor & Chaptered by the Secretary of State - 10/2/2011	CTA -- Support	Support Position Adopted 8/26/2011

2012 Legislation Summary

Current as of 8/21/2012

(Amendments and Bills with updated status or requesting action are indicated in **bold**)

Bill No.	Author	Analysis	Potential Impacts	Location	Outside Agency Positions	Recommended Position
			than federal guidelines require, this bill may assist in stimulating more manufacturing in this country to support transit needs and create jobs in the United States and California.			
AB 1446	Feuer	Existing law authorized the Los Angeles County Metropolitan Transportation Authority (Metro) to adopt a ½-cent sales tax in Los Angeles County for 30 years, subject to a two-thirds approval of local voters. The sales tax, presented to the voters as Measure R, was approved in 2008. Metro is required to allocate 20% of the proceeds derived from the ½-cent sales tax for bus operations and 5% for rail operations. Revenue is dedicated to construction and operation of rail, highway and bus projects in Metro's Long Range Transportation Plan (LRTP), as well as local initiatives such as street and signal improvements, bicycle and pedestrian projects, and more. Existing law also authorizes Metro to incur bonded indebtedness payable from the proceeds of Measure R. This bill would authorize Metro to place on a ballot for Los Angeles County voter approval the permanent extension of the existing county-wide ½ cent sales and use tax. AB 1446 only pertains to Los Angeles County and will not change the project list detailed in existing law, and every area of the County will benefit. All Measure R rail, highway, bus and other projects will be accelerated at the same rate, without prioritizing any one category.	If passed by the voters, the new law would provide Foothill Transit the benefit of Measure R dollars permanently as well as provide key San Gabriel Valley transit projects such as the Foothill Gold Line Extension accelerated funding.	Assembly Floor	CTA – Support, Metro – Support, California Chamber of Commerce - Support	Support Position Adopted 5/25/2012
AB 1585	Perez	Existing law dissolved redevelopment agencies (RDA's) and community development agencies as of February 1, 2012. This bill would amend the law so that an agreement that provided loans or other startup funds for the agency that was entered into within 2 years of the formation of the agency is valid and binds the successor agency. The bill would expand this exception to include an agreement involving a loan specific to a project area and other specified obligations.	This bill will allow Foothill Transit to move forward with negotiations on a much needed park and ride project in West Covina that had been suspended since the RDA law was passed.	Senate Floor		Support Position Adopted 4/27/2012
AB 1706	Eng	Under existing state law, the maximum gross weight of a public transit bus on any one axle is prohibited from exceeding 24,500 pounds. However, that restriction was created in 1976, and, is only 500 pounds heavier than the restriction generally placed on any other type of vehicle operating on the city streets, county roads and state highways. This bill would exempt public transit buses from this weight limitation until January 1, 2016 and until that date, prohibit a public transit system from procuring a new transit bus whose gross weight exceeds the gross weight of the heaviest transit bus in the system's existing bus inventory, for that transit bus' fleet class as of December 31, 2012. The bill would require the Secretary of the Business, Transportation and Housing Agency to convene a task force for the purpose of preparing a report concerning the maximum axle weight limitations in federal and state statutes applicable to transit buses. The bill would specify the information, analyses, and recommendations to be included in the	The majority of Foothill Transit's fleet, along with those of most, if not all, transit agencies throughout the state exceeds this over quarter century old statute due to mandated clean air, safety, disability laws and advances in bus technology. This bill will protect us from being subject to citations and costly permits until a reasonable solution can be determined.	Senate Floor	CTA - Support	Support Position Adopted 4/27/2012

2012 Legislation Summary

Current as of 8/21/2012

(Amendments and Bills with updated status or requesting action are indicated in **bold**)

Bill No.	Author	Analysis	Potential Impacts	Location	Outside Agency Positions	Recommended Position
		report and would require the report to be submitted by January 1, 2015, to the appropriate Senate and Assembly Committees of the Legislature that oversee transportation issues.				
AB 2405	Blumenfield	This bill would exempt a vehicle that meets California's enhanced AT PZEV (Advanced Technology Partial Zero Emission Vehicle) standard from toll charges imposed on single-occupant vehicles in lanes designated for tolls unless prohibited by federal law.	The proliferation of hybrid vehicles, or any additional exceptions for that matter, into carpool lanes defeats the purpose of providing considerable traffic flow and adds to the congestion that buses would encounter in such lanes. Foothill Transit has encountered added congestion that has impacted our on time performance on these high occupancy vehicle lanes due to the addition of these low emission vehicles. In addition, several jurisdictions are considering congestion pricing and exempting AT PZEVs may reduce revenue estimates for using high-occupancy toll lanes. The new Express Lanes Demonstration Project on the 10 Freeway beginning in 2013 is an example.	Senate Floor	CTA - Oppose	Oppose Position Adopted 4/27/2012
ACA 23	Perea	Would provide that the imposition, extension, or increase of a special tax by a local government for the purpose of providing funding for local transportation projects requires the approval of 55% of its voters voting on the proposition.	Existing law under the California Constitution requires the approval of a 2/3rds majority of voters on any special taxes proposed. Reducing this threshold will improve the chances for badly needed local transportation projects to move forward.	Assembly Floor	CTA - Support	Support Position 3/23/2012
SB 582	Emmerson	Existing law requires transportation planning agencies to undertake various transportation planning activities, including preparation of a regional transportation plan and also requires transportation planning agencies that are designated under federal law as metropolitan planning organizations (MPO's) to include a sustainable communities strategy as part of the regional transportation plan for their region. SB 582, beginning on January 1, 2013, would authorize a metropolitan planning organization, in partnership with the local air quality management district, to adopt a commute benefit ordinance that requires covered employers operating within the common jurisdiction of the organization and district with 20 or more covered employees to offer those employees certain commute benefits.	Additional commuter benefits could mean more potential riders on Foothill Transit's system.	Vetoed by the Governor – 8/1/2011	CTA – Support	Support Position Adopted 3/25/2011

2012 Legislation Summary

Current as of 8/21/2012

(Amendments and Bills with updated status or requesting action are indicated in **bold**)

Bill No.	Author	Analysis	Potential Impacts	Location	Outside Agency Positions	Recommended Position
SB 1257	Hernandez	Foothill Transit's sponsored bill that exempts from any utility user's tax (UUT) imposed by any local agency the consumption of electricity by a local agency or public transit operator for transportation purposes and is dedicated to serve the local agency or public transit operator.	Will save Foothill Transit the annual cost in local taxes as well as other transit agencies potential UUT tax savings.	Governor's Desk		Support Position Adopted 3/23/2012
H.R. 1380	Sullivan	The New Alternative Transportation to Give Americans Solutions Act of 2011 is designed to promote a switchover from petroleum-based fuels to natural gas for transportation. The bill would provide a variety of tax breaks to transit agencies, trucking companies, vehicle owners and vehicle manufacturers to transition from gasoline and diesel to natural gas and provide approximately \$5 billion in subsidies over a five year period. Transit agency tax breaks would include amending the Internal Revenue Code to allow an excise tax credit through 2016 for alternative fuels and fuel mixtures involving compressed or liquefied natural gas.	The extension of the alternative fuels excise tax credit until 2016 would provide Foothill Transit with an ongoing operating funding source for the next five years.	House Committee on Energy and Commerce	Clean Energy	Support